

ACCOUNTING, ANALYSIS AND AUDIT

NEW APPROACHES TO THE ESSENCE OF INCOME AND EXPENDITURE OF THE BUDGET INSTITUTIONS

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Accounting in the budgetary institutions is a system of monitoring the availability and flow of budgetary and extrabudgetary funds, is based on generally accepted principles, performs administrative, informative, control functions and has certain peculiarities. The most specific objects of accounting in budgetary institutions are revenues, expenses and results of the estimates. Accounting of revenues and expenditures is the most difficult and the most critical in the overall system of accounting in the budgetary institutions and needs more detailed development and study.

We aim to consider various approaches to the definition of “income” and “expenditure” in order to determine the role of these accounting-economic categories in the accounting system of budget institutions.

Many authors brought up a point to the term of revenue of budgetary institutions. Based on the results of the research conducted we come to the conclusion that they have no fundamental differences. All authors believe that the revenues of budgetary institutions are allocations received from the state or local budgets.

However, the definitions presented in the works of Ukrainian scholars do not correspond to the definitions of the terms rep-

resented in international and national standards.

It is established that the essence of the term ‘income’ has almost the same meaning in national and international legal documents. In addition, according to the National Statement of Standard Accounting Practice, the definition of the term ‘income’ is similar to the term used by profit-making entities.

Revenues of budgetary institutions have specific peculiarities: income is divided into general and special funds, formation of which is governed by separate regulations for each. Budget revenues are classified by the following sections: tax revenues; non-tax revenues; income from capital transactions; transfers.

Regarding the definition of the term “expenditure”, it is not defined in international standards; it is replaced with the term “expenses”. However, in some domestic literature the term “expenditure” has different meaning than the term “expense”.

The expenditure and expenses of budgetary institutions reflect, on the one hand, the source of their availability – the abovementioned funds (general and special), on the other hand – describe two economic categories that define nature of specific economic activities of the budgetary institutions.

The circle of problems, which affect the phenomenon in expenditure accounting in the budgetary institutions, includes the lack of effective mechanisms for improving the accounting system with the requirements of

international standards, the lack of appropriate measures of transition to integrated methodological principles as well as creation of a unified organization and information support of accounting.